

Office of Management and Budget FY13 and FY14 Performance Review

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September 10, 2014

CountyStat Principles

- **Require Data-Driven Performance**
- **Promote Strategic Governance**
- **Increase Government Transparency**
- **Foster a Culture of Accountability**



Agenda

- **Welcome and Introductions**
- **Overview of Historical Budget, Expenditures, and FTEs**
- **In-depth Examination of OMB's Customer Satisfaction Ratings**
 - CountyStat's Internal Customer Service Survey
 - OMB's Customer Service Survey
 - OMB's Plan to Improve Customer Service Satisfaction
- **Overview of Headline Performance Measures**
- **Overview of Responsive and Accountable Government Indicators Related to OMB**
- **Overview of OMB's Responsive and Sustainable Leadership Measures**
- **Wrap-Up and Follow-Up Items**



Meeting Goals

- Evaluate OMB's FY13 and FY14 Performance
- Identify Areas of Strong Performance and Areas in Need of Improvement
- Compare Results of CountyStat and OMB Internal Customer Service Surveys and Identify Common Themes

Desired Outcomes

- Improve Customer Service by Acting on Trends Identified in the Two Surveys



Part 1

BUDGET, EXPENDITURES, AND FTES OVERVIEW



Historical Budget and Workforce Overview*

General Fund Expenditures	FY10	FY11	FY12	FY13	FY14	FY15
OMB Approved Operating Budget	\$3,703,890	\$3,318,790	\$3,381,500	\$3,697,949	\$3,870,467	\$3,917,013
OMB Final Operating Budget*	\$3,723,733	\$3,318,790	\$3,413,145	\$3,697,949	\$3,880,874	--
OMB Actual Expenditures*	\$3,602,336	\$3,223,811	\$3,255,557	\$3,529,512	\$3,737,673 (not final)	--
% of Expenditures Under/(Over) Approved	2.7%	2.9%	3.7%	4.6%	3.4%	--

Work Years/FTEs**	FY10	FY11	FY12	FY13	FY14	FY15
OMB WYs/FTEs	29	24.5	25	27.5	28	29
OMB WYs/FTEs as a Percentage of Total MCG Operating	0.3%	0.3%	0.3%	0.3%	0.3%	0.3%

Between FYs 2010 and 2014, OMB's expenditures have risen 3.8%. OMB underspent its overall budget by an average of 3.5% over the same period.



*Excludes prior year encumbrances. FY14 expenditures as of 08/21/2014

**In FY13, OMB switched from work years (WYs) to Full-Time Equivalents (FTEs)

Part 2

SURVEY DATA AND OMB RESPONSE



CountyStat and OMB Surveys

- **There are two annual surveys that assess the departments' satisfaction with OMB programs and personnel**
 - *CountyStat's Internal Customer Satisfaction Survey*
 - 13 questions covering three overarching categories: overall satisfaction, department personnel, and department processes
 - *OMB's Customer Survey*

Survey	Audience	Response
CountyStat Internal Customer Satisfaction Survey	County Management (MLS, Public Safety Managers, Directors, ACAOs, Council Staff)	299 of 475 managers (63%)
OMB Customer Survey	Department budget liaisons, management, and directors who are heavily involved in the process	53 of 149 sampled employees (36%)



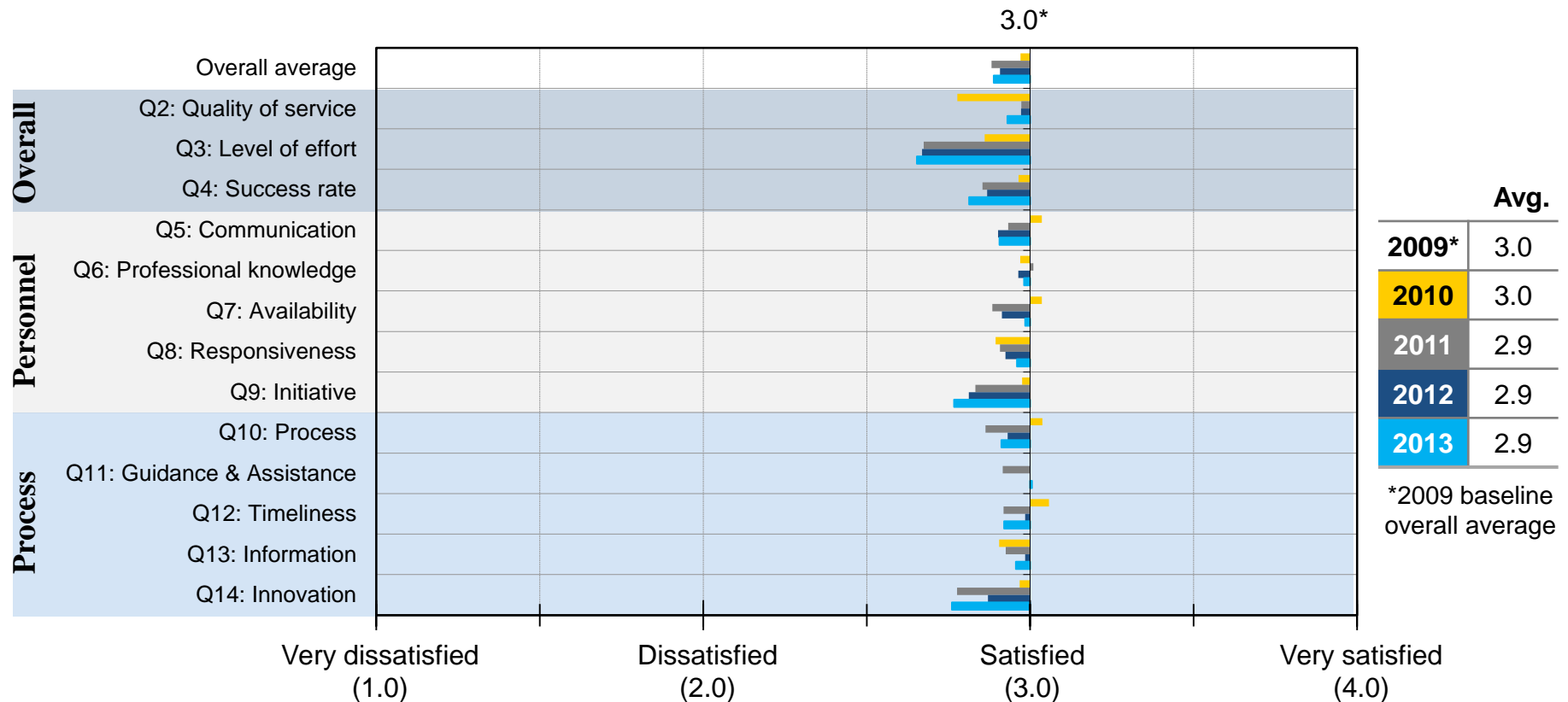
Part 2 - 1

COUNTYSTAT INTERNAL CUSTOMER SURVEY



CountyStat Internal Customer Satisfaction Survey (1/5)

Overview

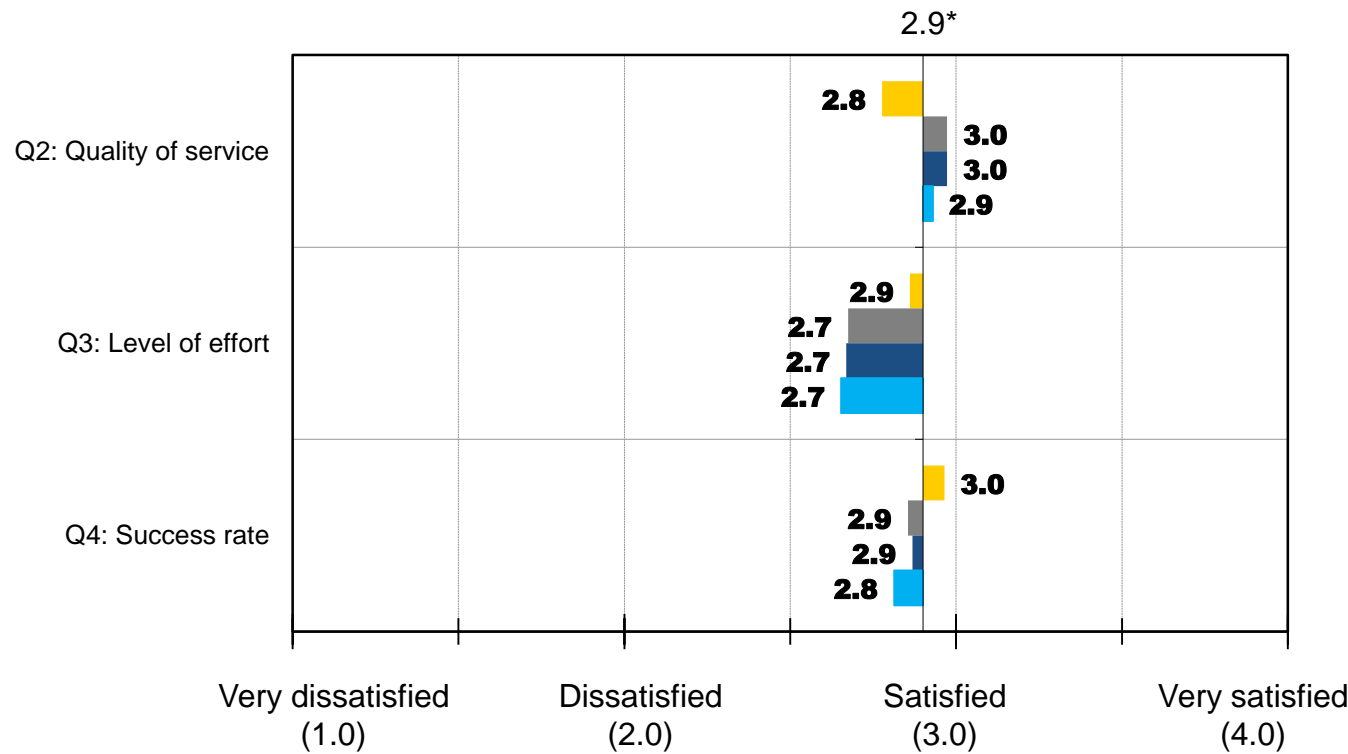


OMB's average scores for each question on the survey were near satisfactory levels. OMB's overall average for 2013 was steady as compared to previous years. The changes on individual questions from 2012 to 2013 were not statistically significant.



CountyStat Internal Customer Satisfaction Survey (2/5)

Overall Ratings



Qs 2 - 4	
	Avg.
2009*	2.9
2010	2.9
2011	2.8
2012	2.8
2013	2.8

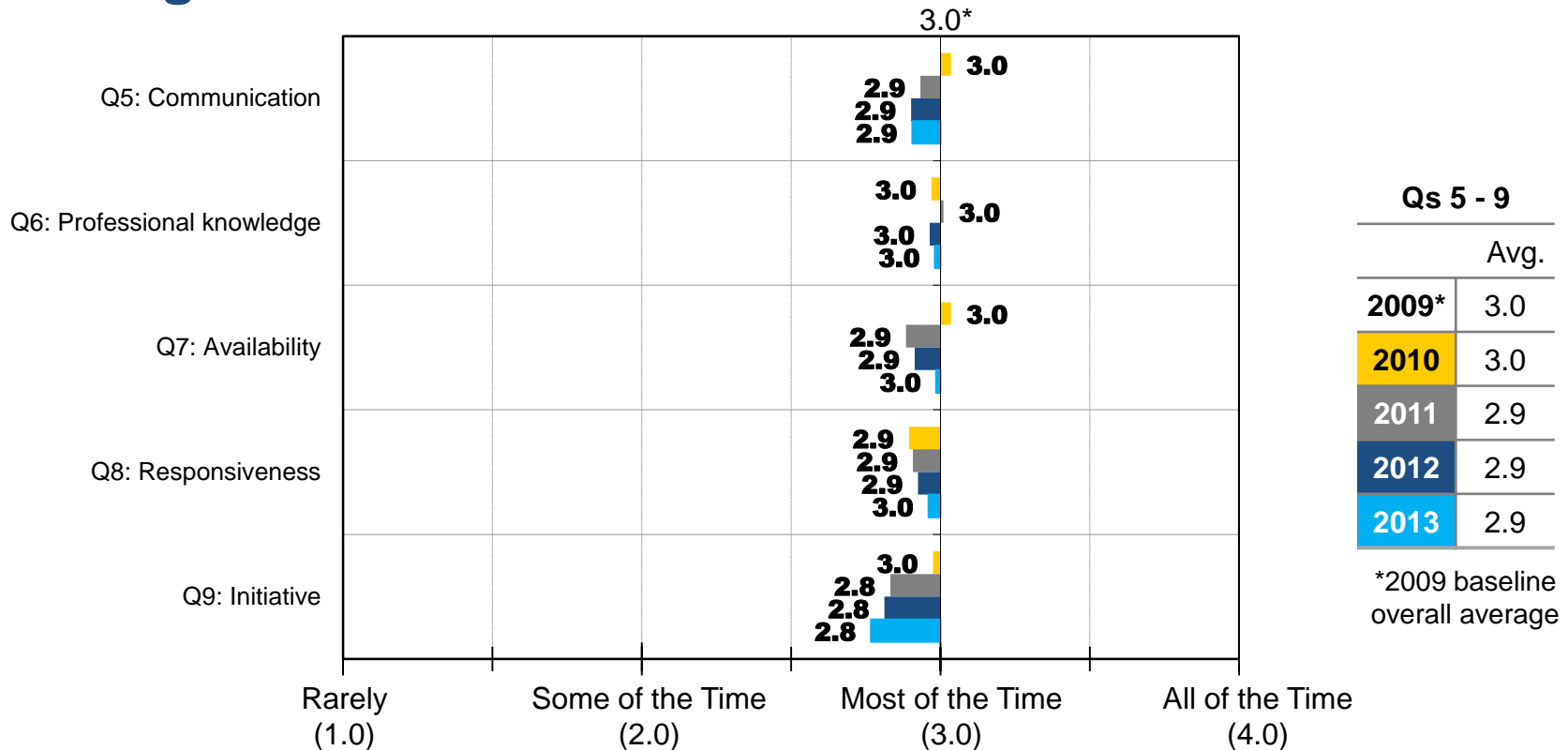
*2009 baseline overall average

OMB's overall ratings, as measured in questions 2 through 4 on the survey, have remained steady since 2009. The average of the three questions was slightly below satisfied with OMB services. Level of effort is the area where OMB had its lowest score in the survey, with departments reporting it took between some and a fair amount of effort to successfully use OMB's services. However, the rating was not significantly lower than other questions.



CountyStat Internal Customer Satisfaction Survey (3/5)

Ratings for OMB Personnel

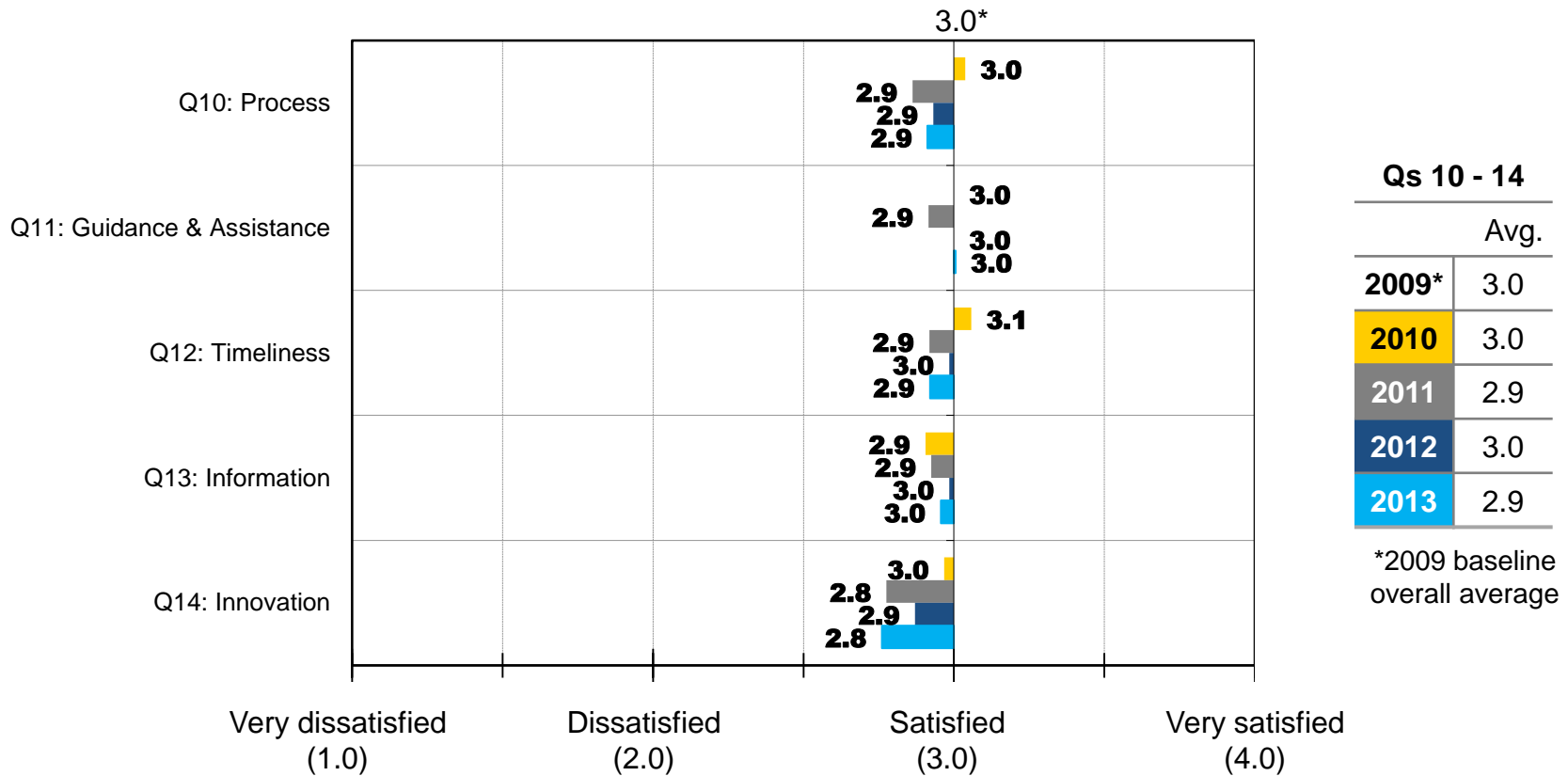


As with OMB's overall scores, County managers were on average satisfied with OMB personnel. Of note was the steadiness of professional knowledge scores despite recent turnover in analysts and reassignment of analysts' portfolios.



CountyStat Internal Customer Satisfaction Survey (4/5)

Ratings for OMB Processes



Ratings for OMB processes averaged near the satisfied score for each year of the survey. Scores for timeliness and innovation are down slightly from 2009 to 2013, but not at a statistically significant level.



CountyStat Internal Customer Satisfaction Survey (5/5)

Ratings by Depts.

■ 31 Individual Comments

- 77.4% negative
- 22.6% positive

■ Themes from Comments

- Need to make better use of all information sent by Departments prior to asking questions
- Desire for more detailed analysis and performance-based budgeting for decisions
- Increase training for analysts, particularly about Departments' operations and challenges

<u>Rated By</u>	<u>Overall Score (0-4)</u>	<u># of Responses*</u>
CC (County Council)	3.44	< 5
DLC	3.40	< 5
PIO	3.38	< 5
CUPF	3.35	< 5
IGR	3.35	< 5
OCP	3.35	< 5
OEMHS	3.27	< 5
BOE	3.25	< 5
FIN	3.19	16
MCERP (Previously BIT)	3.15	< 5
DHCA	3.13	6
DOCR	3.13	8
OCA	3.12	< 5
DPS	3.09	9
HRC	3.08	< 5
MCFRS	3.06	11
DOT	3.06	17
DTS	3.03	11
REC	3.03	< 5
LIB	2.97	8
DEP	2.89	8
OHR	2.80	8
MCPD	2.69	26
DED	2.69	< 5
HHS	2.64	23
CEC (CFW, OCP, RSCs, UD's)	2.42	< 5
DGS	2.37	17
CEX	2.18	6



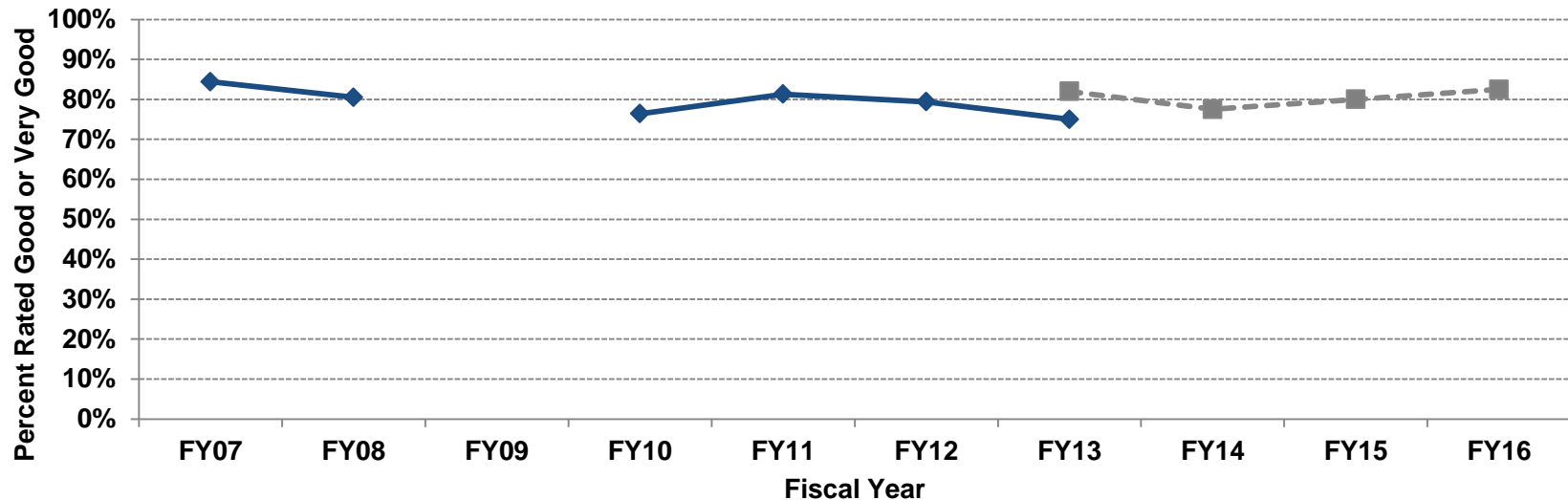
*Average number of respondents across all survey questions related to OMB

Part 2 - 2

OMB CUSTOMER SATISFACTION SURVEY



Percentage of Customers Rating OMB Services as good or very good on the OMB Customer Survey for the budget process (1/2)



—◆— Results -■- Projections

	FY07	FY08	FY09	FY10	FY11	FY12	FY13	FY14	FY15	FY16
Results	84.4%	80.5%	N/A	76.4%	81.3%	79.4%	75.0%			
Projections							82.0%	77.5%	80.0%	82.5%

FY12 to FY13
Performance Change



Based on OMB's customer service rating, ratings of good or very good regarding the budget process have declined 6.3 percentage points from FY11 to FY13.



Note: FY14 data not yet available for performance measures related to the OMB Customer Survey

Percentage of Customers Rating OMB Services as good or very good on the OMB Customer Survey for the budget process (2/2)

▪ Factors Contributing to Current Performance

- Training and instructional materials provided by OMB to departments for budget process.
- Increased focus on customer service.

▪ Factors Restricting Performance Improvement

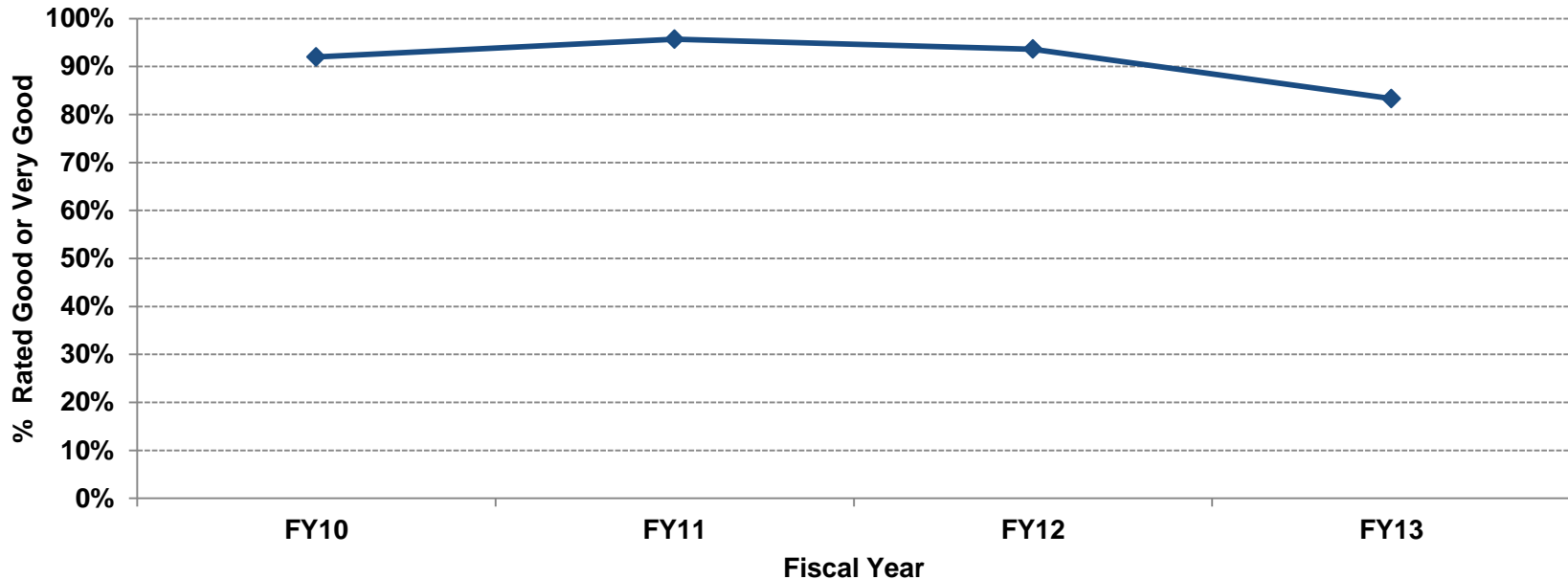
- Budget submission software (undergoing upgrades for FY14 budget process).
- Need for better training of analysts.
- Need for more clear and consistent guidance in budget instruction materials.

▪ Performance Improvement Plan

- OMB holds “Good, Bad, and Ugly” feedback sessions after the budget. Information gained from these sessions is used to improve future budget processes.
- Staff training will be conducted through a staff development program designed to sharpen analytical skills and improve substantive knowledge of relevant public policy subjects.
- Reduce staff turnover which will improve depth of analysts’ knowledge and minimize changes in portfolios.



Percentage of customers rating the ability of OMB staff to provide effective support in solving problems as good or very good on the OMB Customer Survey for the budget process



	FY10	FY11	FY12	FY13
Results	92.0%	95.7%	93.6%	83.3%

**FY12 to FY13
Performance Change**

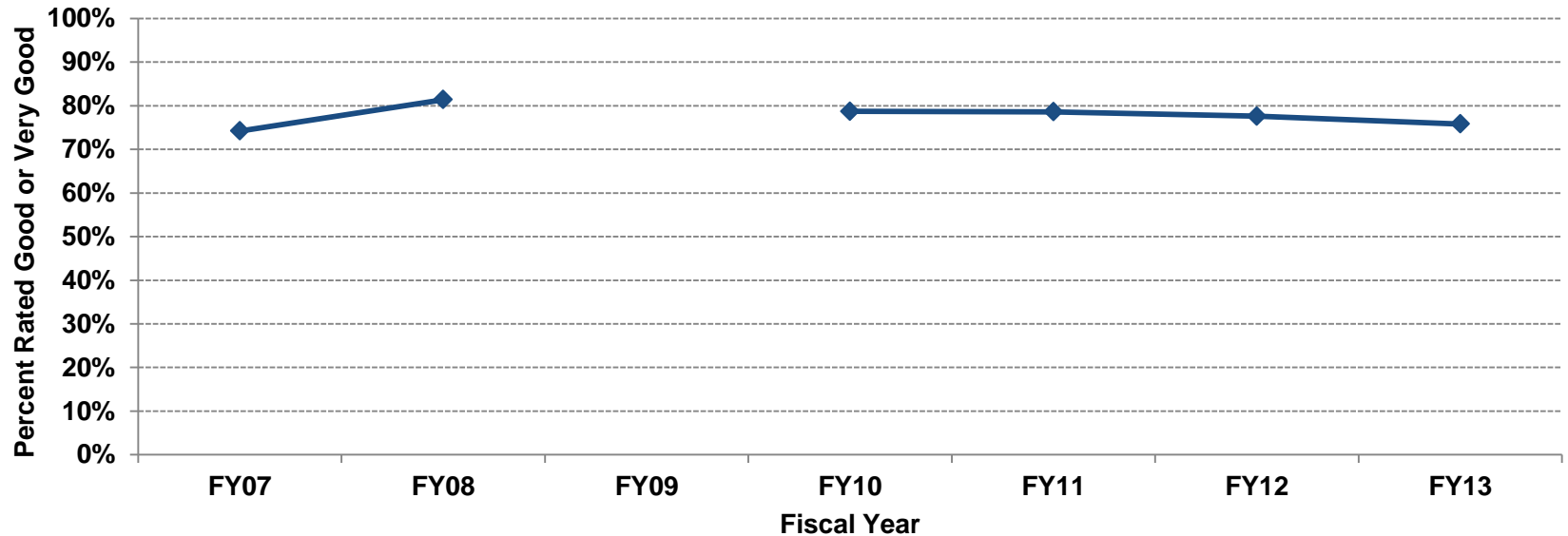


Survey respondents in FY13 rated the problem solving support from OMB 10.3 percentage points lower as compared to FY12.

Note: FY14 data not yet available for performance measures related to the OMB Customer Survey



Percentage of customers rating the quality of OMB training and instructional materials as good or very good on the OMB customer survey for the budget process



	FY07	FY08	FY09	FY10	FY11	FY12	FY13
Results	74.2%	81.4%	N/A	78.7%	78.6%	77.6%	75.8%

FY12 to FY13
Performance Change

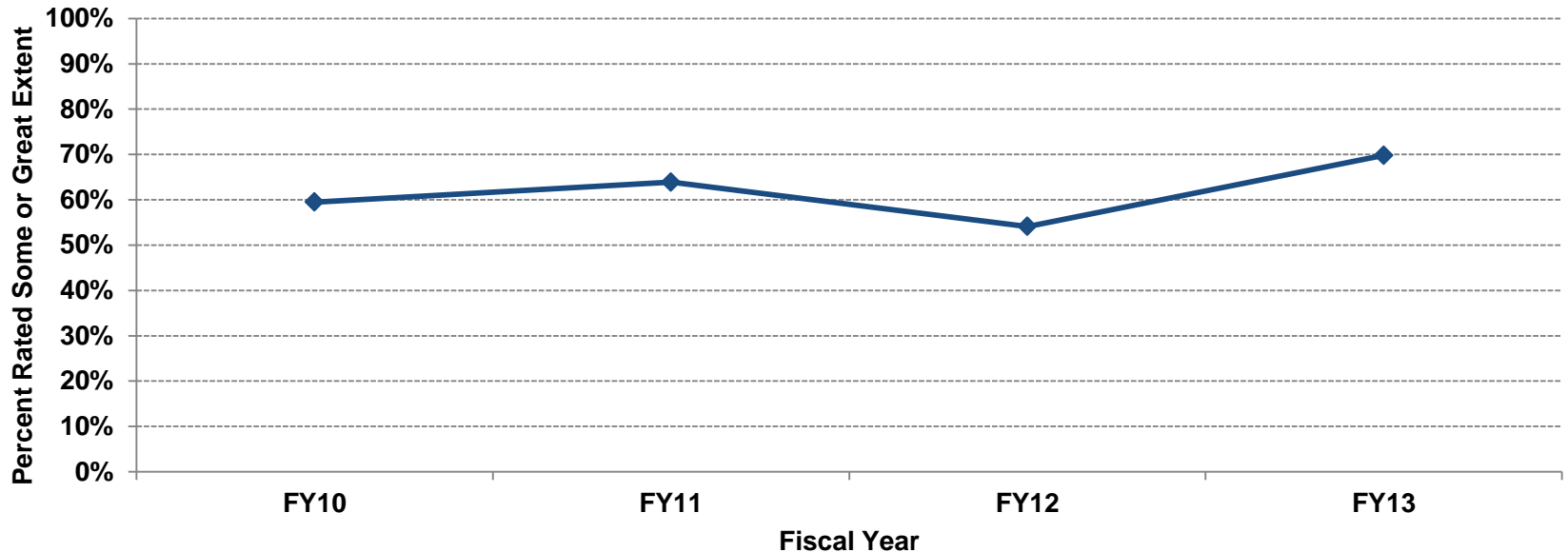


Scores for the quality of instructional materials and training provided by OMB have remained steady over the past several years with an average score of 77.7%. In FY12, OMB moved to the new Hyperion budget software for the operating budget.

Note: FY14 data not yet available for performance measures related to the OMB Customer Survey



Percentage of customers rating the extent to which OMB helped departments align resources to facilitate achievement of key results as some or a great extent on the OMB Customer Survey



FY12 to FY13
Performance Change



	FY10	FY11	FY12	FY13
Results	59.5%	63.9%	54.1%	69.8%

In FY13, OMB improved on aligning resources to achieve key results by 15.7 percentage points. This was the largest increase of any of OMB survey measures. However, this area still ranks lowest out of the three survey supporting measures.

Note: FY14 data not yet available for performance measures related to the OMB Customer Survey



Themes Identified from Both Surveys

Survey	Theme: Internal and External Training	Theme: Initiative and Problem Solving of OMB Staff
OMB Customer Service Survey	<ul style="list-style-type: none"> - ¾ of respondents were satisfied with training materials provided. - OMB's scores may improve as customers become more familiar with new systems - Scores may also improve as OMB reviews materials sent to departments and departments have easier access through the intranet. 	<ul style="list-style-type: none"> - Scores for the OMB analysts' problem solving skills dropped 10.3 percentage points from FY12 to FY13. - Scores could improve with increased training, having more time to work on analyses due to less administrative time needed to create the new budget book, and the move towards result based budgeting.
CountyStat Internal Customer Service Survey	<ul style="list-style-type: none"> - Managers identified a desire for analysts to make better use of original materials sent to OMB prior to asking questions or for more material. - Scores may improve with increased technical training of budget analysts to reduce back and forth. 	<ul style="list-style-type: none"> - Some of OMB's lower ratings were the initiative taken of OMB staff and effort exerted to use OMB's services. - Scores could improve with increased training, experience that will be gained by new analysts, and the move towards results based budgeting.

In both surveys, 3 out of 4 respondents indicated that they were overall satisfied with the services of OMB. The move towards results based budgeting may improve how departments view OMB as a problem solving entity and the initiative OMB takes to render its services to the departments.



OMB Action Plan to Improve Customer Satisfaction: What Has Been Done (1/2)

Action	Potential Outcomes	Potential for Improvement in the Following Areas
Internal and External Feedback Sessions	<ul style="list-style-type: none"> - Use feedback from surveys and in-person meetings to drive improvements and satisfaction with OMB process and personnel - Provide constructive feedback for analysts on areas to improve during the next budget cycle 	<ul style="list-style-type: none"> - All areas identified in the surveys
Enhancements to CIP submission process: <ul style="list-style-type: none"> - Electronic budget submission - All reports located in one folder for ease of access - Creation of a FAQ for Hyperion on the intranet - Roll-over of FY15 appropriation calculations 	<ul style="list-style-type: none"> - Make the CIP budget submission process easier and more efficient for departments 	<ul style="list-style-type: none"> - Overall Satisfaction - Quality of Service - Communication - Initiative - Guidance and Assistance - Process - Information - Innovation - Quality of Training Materials
Multiple Trainings with County Departments and Agencies (ex. 5 hands-on trainings with WSSC in the transition to Hyperion)	<ul style="list-style-type: none"> - Departments and agencies become more comfortable with data entry - More interactions with departments and OMB to build successful working relationships 	<ul style="list-style-type: none"> - Overall Satisfaction - Quality of Service - Level of Effort - Communication - Responsiveness - Initiative - Guidance and Assistance - Quality of Training Materials



OMB Action Plan to Improve Customer Satisfaction: What Has Been Done (2/2)

Action	Potential Outcomes	Potential for Improvement in the Following Areas
Complete turnover of OMB's IT staff	<ul style="list-style-type: none"> - New IT staff has led to a better understanding of the Hyperion CIP system, which will improve the departments' comfort with the system. - IT staff has created multiple new systems and applications for departments (see Appendix A for full details). This aid improves the departments' business processes and departments can see team as a resource throughout the year. 	<ul style="list-style-type: none"> - Overall Satisfaction - Quality of Service - Level of Effort - Communication - Initiative - Process - Guidance and Assistance - Innovation - Quality of Problem Solving
<p>Created eBudget for improved document and process tracking</p> <p>(Includes new online forms for entry and collaboration for pedestrian safety impacts and affordable housing and childcare assessments)</p>	<ul style="list-style-type: none"> - New system allows for OMB management to better track the timeliness of turnaround times on the various documents to identify if any process improvements are needed. - Easier reporting of required information to lower administrative burdens for departments' submissions. 	<ul style="list-style-type: none"> - Overall Satisfaction - Success Rate - Communication - Availability - Responsiveness - Process - Timeliness - Information - Innovation - Helping to Align Resources to Results



OMB Action Plan to Improve Customer Satisfaction: What Will Be Done

Future Action	Potential Outcomes	Potential for Improvement in the Following Areas
OMB will have a full staff of analysts in coming weeks and has reduced turnover.	<ul style="list-style-type: none"> - Analysts will expand their institutional knowledge about the budget process and the departments in their portfolios in order to provide better analyses. - Less turnover in portfolio assignments creates a lower administrative burden for departments when it comes to introducing the programs, policies, and practices of the department to new analysts. 	<ul style="list-style-type: none"> - Overall Satisfaction - Success Rate - Professional Knowledge - Quality of Support - Quality of Problem Solving - Helping to Align Resources to Results
OMB will reach out to departments rating OMB below average on the survey.	<ul style="list-style-type: none"> - By addressing the concerns of those departments, OMB can use the feedback to inform potential process improvements and personnel trainings. 	<ul style="list-style-type: none"> - All areas identified in the surveys
OMB will create a “success log” to track all staff’s performance and capture work of the staff’s work.	<ul style="list-style-type: none"> - Allow OMB staff to see impact of their work outside of the budget book. Seeing success in the job and recognition of that success can help to reduce staff turnover. - Provide specific, constructive feedback to staff on how to improve service delivery. 	<ul style="list-style-type: none"> - All areas identified in the surveys

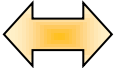
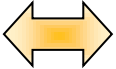



Part 3

HEADLINE PERFORMANCE MEASURES



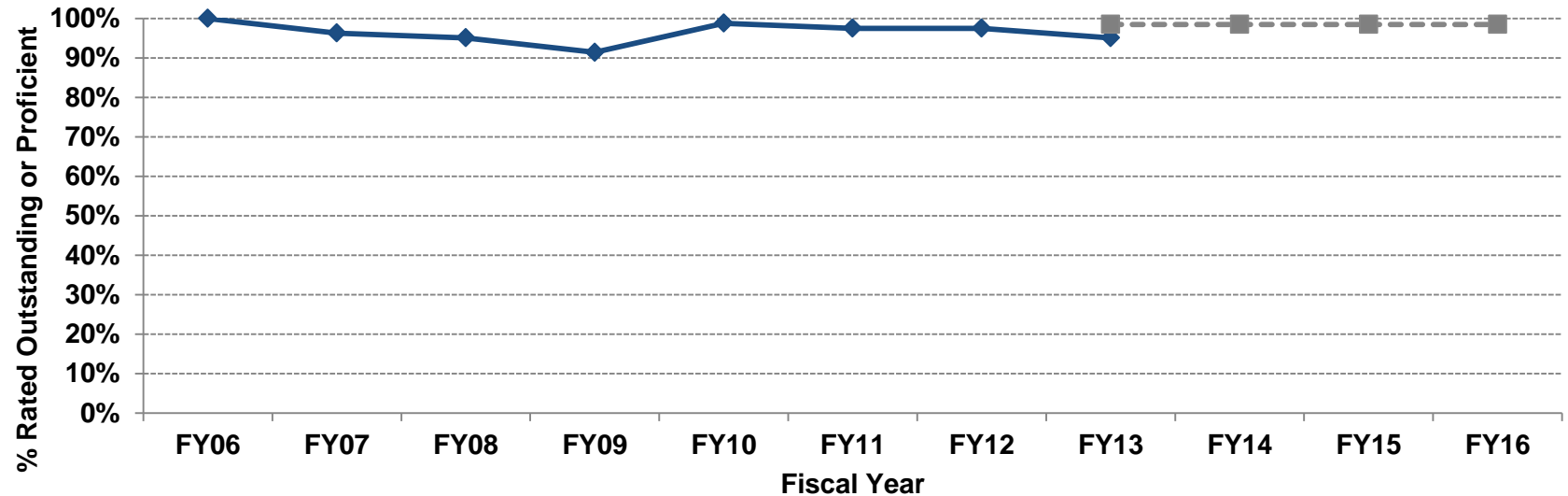
Overview of Headline Performance Measures

<u>Headline Measure</u>	<u>FY12</u>	<u>FY13</u>	<u>FY14</u>	<u>Change</u>
Overall Government Finance Officers Association (GFOA) Distinguished Budget Presentation Award ratings - Percent rated outstanding or proficient	97.5%	95.1%	N/A	
Percentage of customers rating OMB services as good or very good on the OMB customer survey for the budget process	79.4%	75.0%	N/A	
Percentage of requests processed within 14 days	N/A	N/A	N/A	

Between FY13 and FY14, OMB and CountyStat revamped OMB's performance measures. Some budget measures, such as overspending, have been placed as "indicators" underneath "*A Responsive and Accountable County Government*" as meeting budget targets requires work from OMB, FIN, CEX, Council, and the operating department.



Overall Government Finance Officers Association (GFOA) Distinguished Budget Presentation Award ratings – Percent rated outstanding or proficient (1/2)



	FY06	FY07	FY08	FY09	FY10	FY11	FY12	FY13	FY14	FY15	FY16
Results	100%	96.3%	95.1%	91.4%	98.8%	97.5%	97.5%	95.1%			
Projections								98.5%	98.5%	98.5%	98.5%

**FY12 to FY13
Performance Change**



OMB's budget book ratings from GFOA remain at a high performing level. CountyStat and OMB will work to improve performance measures and the links between performance and budgeting.



Overall Government Finance Officers Association (GFOA) Distinguished Budget Presentation Award ratings – Percent rated outstanding or proficient (2/2)

▪ Factors Contributing to Current Performance

- Analysis of prior year GFOA “does not satisfy” responses have led to improvements in areas such as unit goals and objectives, short-term organization-wide policies, and impact of capital improvements on operating budget

▪ Factors Restricting Performance Improvement

- Varied quality of performance measures in budget
- Understandability and usability of some portions of the published budget

▪ Performance Improvement Plan

- OMB will continue to monitor GFOA “does not satisfy” responses to budget submissions and act on any analysis conducted where appropriate for the County’s budget publication needs.
- OMB will continue to implement Results Based Budgeting to improve process and analytical criteria used to evaluate operating and capital budget requests to more closely link that evaluation with measures that indicate contribution to achievement of County Executive priority results.
- OMB will look to improve the quality and use of performance measures (headline measures and program performance measures) by departments and OMB in resource allocation decisions and program management.



Percentage of requests processed within 14 days*

Document Type	Number of Documents	Percent Completed within 14 Days	Median Days to Complete	Document Type	Number of Documents	Percent Completed within 14 Days	Median Days to Complete
CECC	28	32.1%	21	Legislation/Bills /Resolutions	4	100.0%	< 1
FIS/FEIS	55	41.8%	20	Memorandum	19	100.0%	<1
Position Request	12	66.7%	10	Procurement Freeze Exemption Requests	153	100.0%	<1
Decision Memo	36	69.4%	5	Resolutions	1	100.0%	2
Position Exemptions	78	71.8%	14	Special Appropriations	2	100.0%	2
Supplemental Appropriations	25	80.0%	3	Transfer	3	100.0%	4
Other	15	86.7%	1	Vehicle Request	4	100.0%	4
Executive Orders	14	92.9%	7	OVERALL	452	78.8%	2
Administrative Procedure	3	100.0%	4				

These data represent preliminary results for OMB's new headline performance measure tracking the turnaround time for various work products. Overall, OMB turned around its documents 78.8% of the time within the two week timeframe. The performance was aided by the frequency and quick turnaround of procurement freeze exemption requests.

*Data only include records with date in and date out recorded from Oct. 2013 to Jul 2014.
Data sorted by lowest to highest % completion rates.



Part 5

RESPONSIVE AND SUSTAINABLE LEADERSHIP



Overview of Responsive and Sustainable Leadership

Area	Measure	FY12	FY13	FY14	Change
Effective and Productive Use of the Workforce/ Resources	Average overtime hours worked by all full-time, non-seasonal employees	0.03	0	0	↔
	Workforce availability for all full-time, non-seasonal employees	83.8%	84.4%	83.2%	↔
Internal Control and Risk Management	Fully implemented audit report recommendations since issuance of the audit report	No Audit	No Audit	No Audit	N/A
	Number of work-related injuries	1	0	0	↔
Succession Planning	Percent of identified key position/ functions have developed and implemented long-term succession planning	N/A	0%	N/A	NEW
Mandatory Employee Training	% of department's employees that have fulfilled mandatory County/ State/Federal training requirements	65%	37%	N/A	↓
Environmental Stewardship	Print and mail expenditures	\$9,060	\$18,552	N/A	↓
	Paper purchased	316,500	363,000	N/A	↓

Note: Where data are not yet available for FY14, the performance change arrow indicates the change from FY12 to FY13.



Wrap-Up

- **Follow-up items generated will be distributed to attendees and posted online**



Appendix A

RECENT OMB ACCOMPLISHMENTS (CON'T)



Technology Innovations Provided by OMB's IT Staff

- **Creation of an online, interactive budget book**
 - OMB has trained department and council staff on using the tool for their own reports and ad-hoc analyses
- **Creation of New Applications and Systems**
 - OMB's IT staff worked with the following departments to create new applications and systems to enhance data entry and reporting for the departments:
 - CountyStat: Performance Tracking Application
 - County-wide: eTravel Application
 - County Executive: Correspondence, Document, and Executive Order Tracking Systems
 - Police: ePolice Knowledge Management System
 - Human Resources: eResources Knowledge Management System
 - Finance: eFinance Knowledge Management System

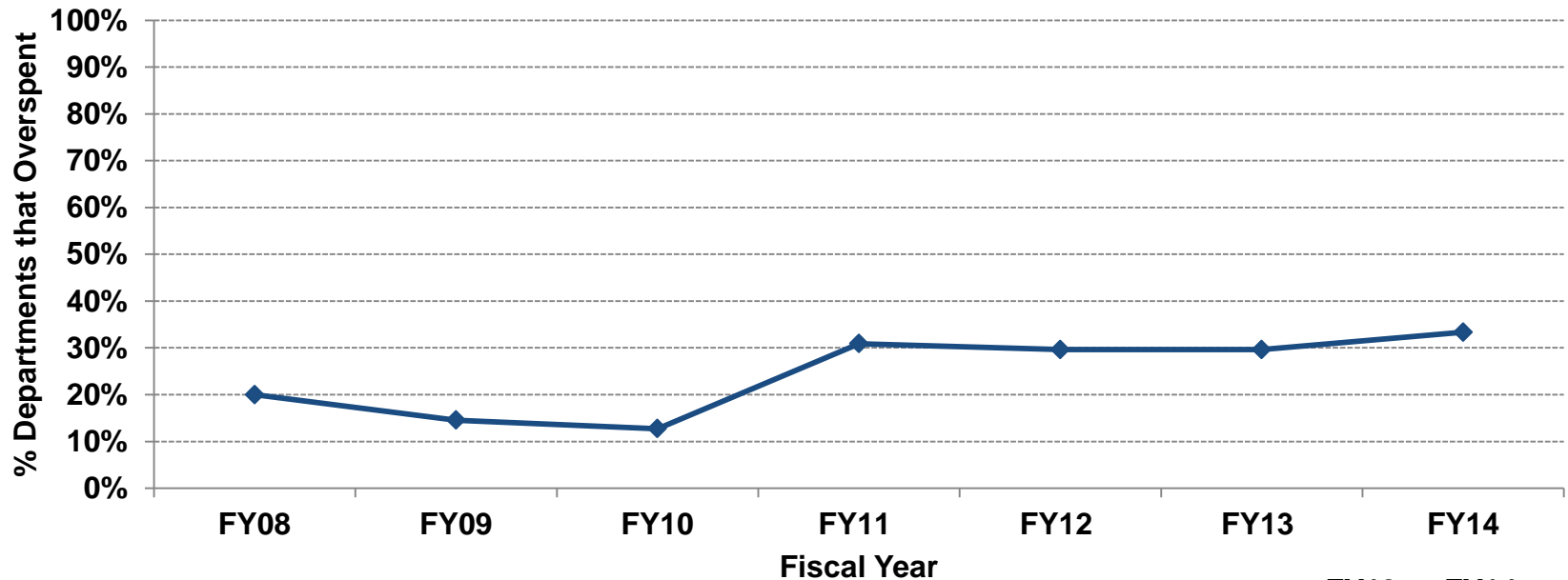


Appendix B

RESPONSIVE AND ACCOUNTABLE GOV'T. – BUDGET INDICATORS

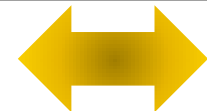


Indicator 1: Percentage of Departments and Funds that Overspent their Budget



	FY08	FY09	FY10	FY11	FY12	FY13	FY14
Results	20.00%	14.55%	12.73%	30.91%	29.63%	29.63%	33.33%

FY13 to FY14
Indicator Change



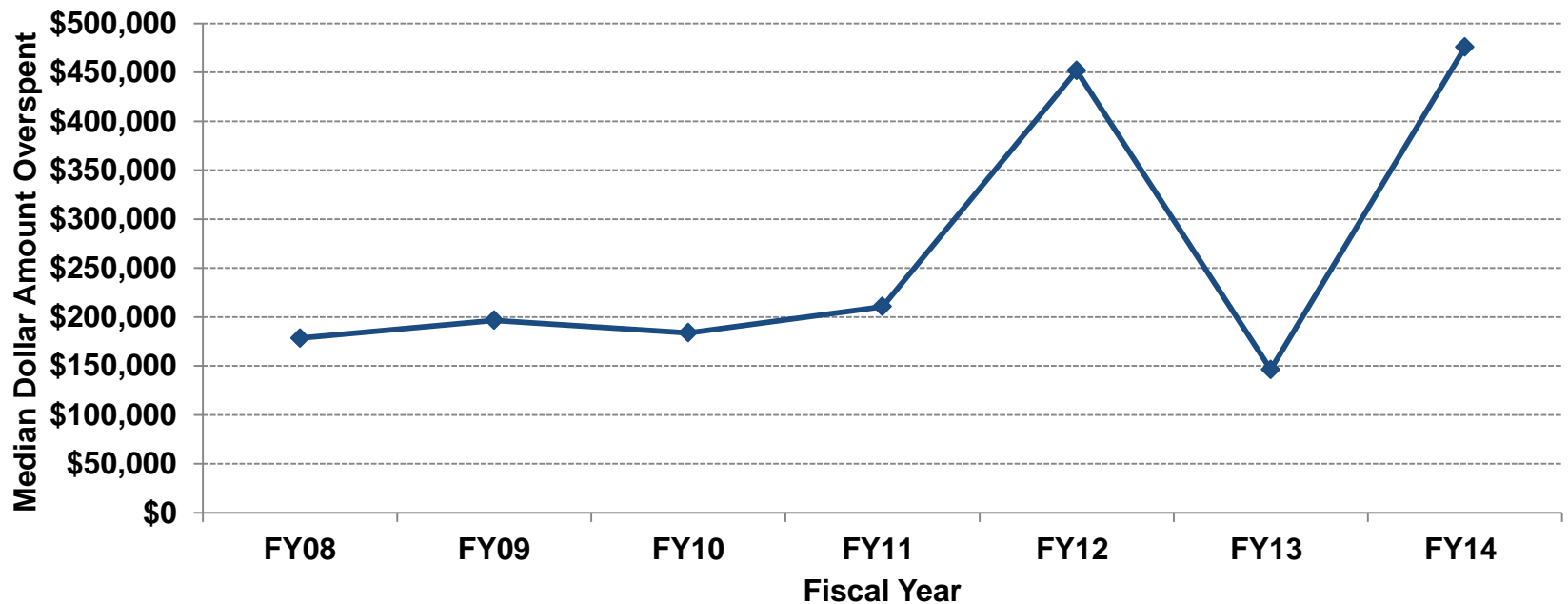
The percentage of departments and funds that overspent their budget increased by 3.7 percentage points from FY13 to FY14. The FY08-FY10 average was 16% while the FY11-FY13 average was 30%.

NOTE: Includes tax-supported departments and funds only.

Past values have been recalculated based to match current records.

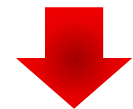


Indicator 2: Median Dollar Amount by which Departmental and Fund Budgets were Overspent



	FY08	FY09	FY10	FY11	FY12	FY13	FY14
Results	\$178,230	\$196,512	\$183,724	\$236,792	\$477,229	\$289,548	\$515,112

**FY13 to FY14
Indicator Change**



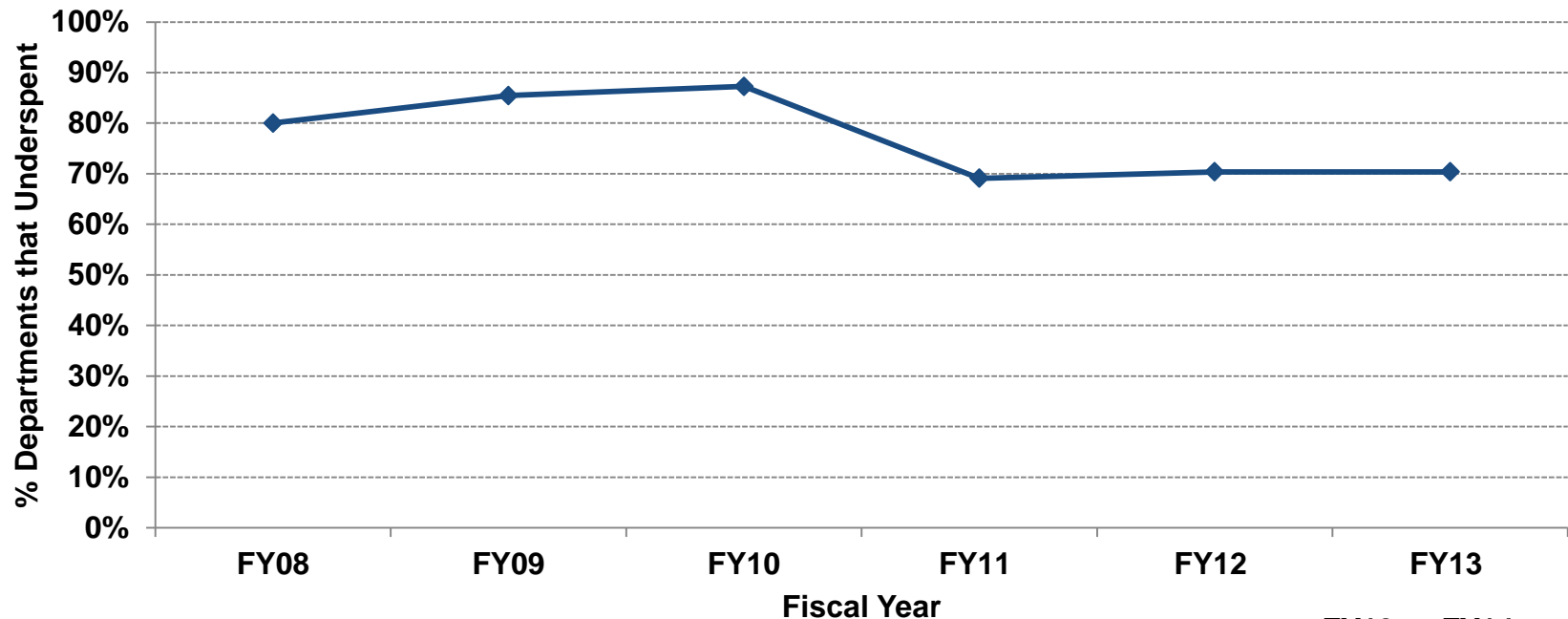
Though there was a slight increase in the number of departments and funds overspending from FY13 to FY14, the median amount of overspending rose by 226%.

NOTE: Includes tax-supported departments and funds only.

Past values have been recalculated based to match current records.

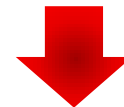


Indicator 3: Percentage of Departments and Funds that Underspent their Budget



	FY08	FY09	FY10	FY11	FY12	FY13	FY14
Results	80.00%	85.45%	87.27%	69.09%	70.37%	70.37%	66.67%

FY13 to FY14
Indicator Change



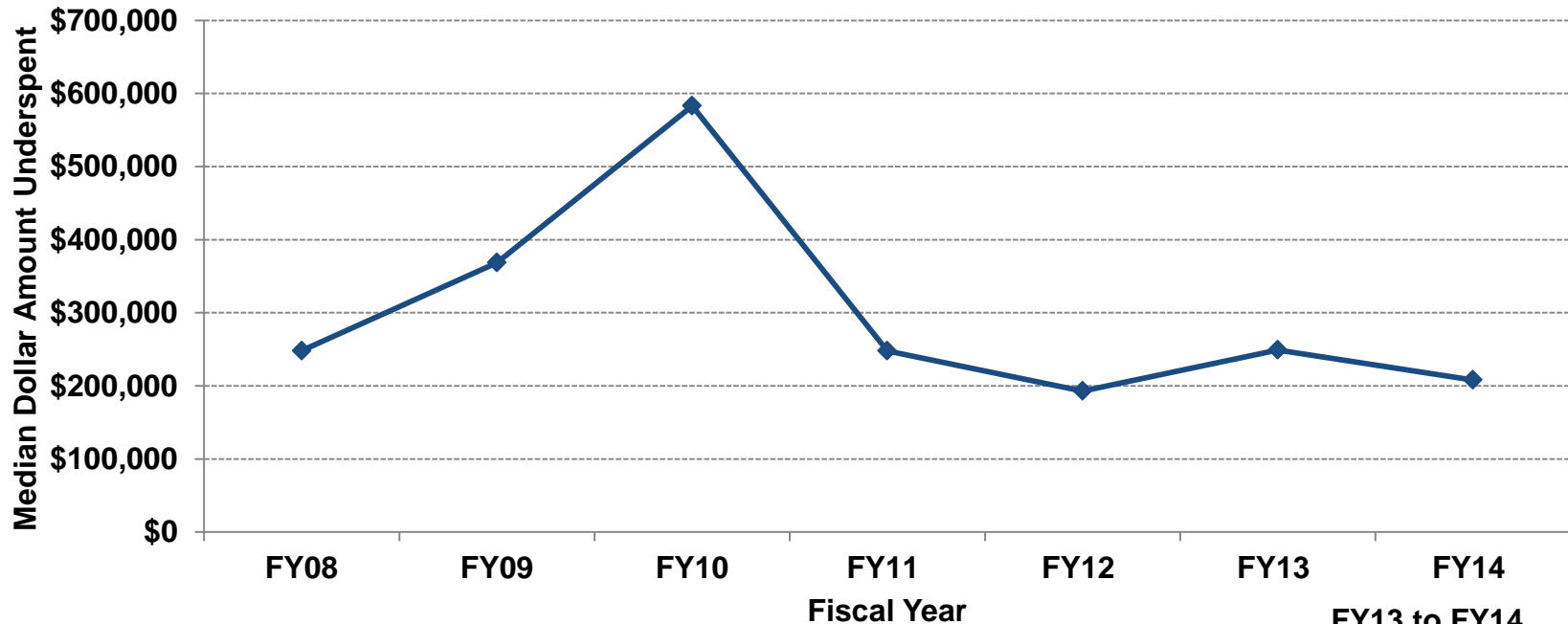
The percentage of departments and funds that underspent their budget decreased by 3.7 percentage points from FY13 to FY14. The FY08-FY10 average was 84% while the FY11-FY13 average was 70%.

NOTE: Includes tax-supported departments and funds only.

Past values have been recalculated based to match current records.

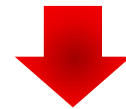


Indicator 4: Median Dollar Amount by which Departmental and Fund Budgets were Underspent



	FY08	FY09	FY10	FY11	FY12	FY13	FY14
Results	\$248,135	\$368,602	\$582,925	\$247,912	\$192,874	\$249,130	\$208,118

FY13 to FY14
Indicator Change



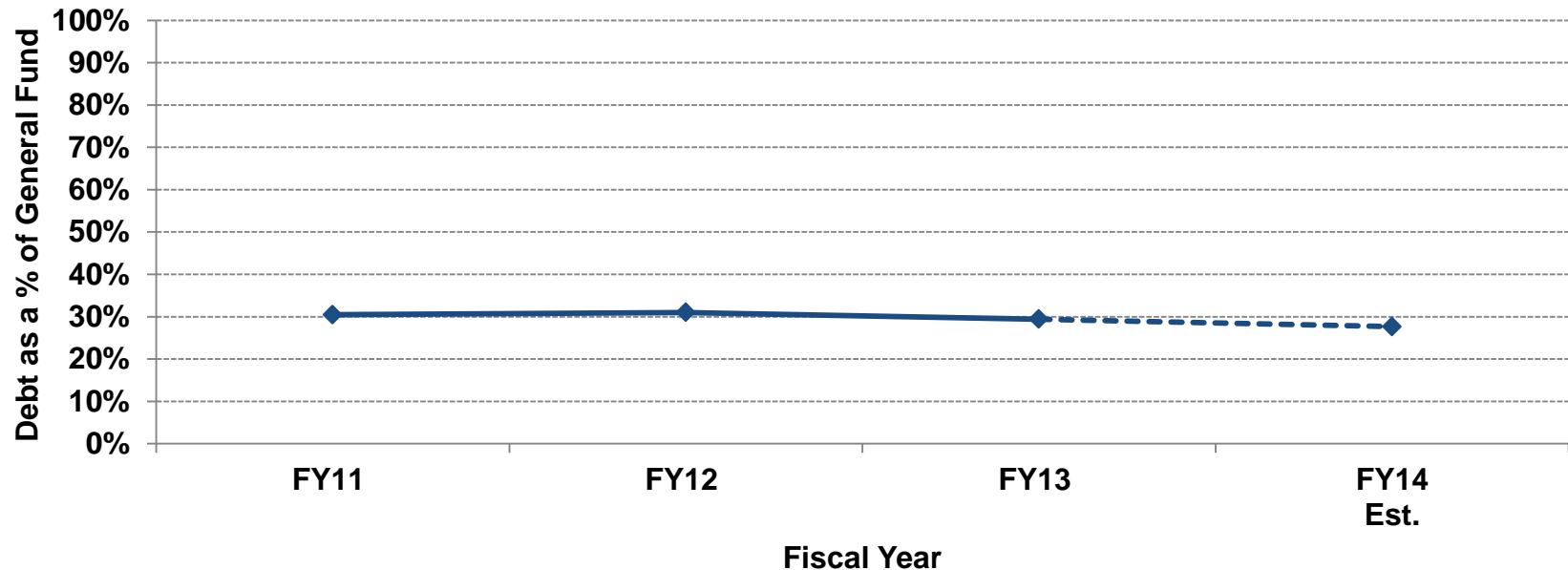
The median dollar amount for departments that underspent their budgets decreased by 16% from FY13 to FY14.

NOTE: Includes tax-supported departments and funds only.

Past values have been recalculated based to match current records.

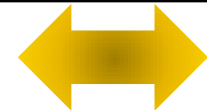


Indicator 5: Annual Debt Service as a Percentage of the General Fund (Tax Supported)



	FY11	FY12	FY13	FY14 Est.
Results	30.44%	31.00%	29.40%	27.63%

FY13 to FY14
Indicator Change

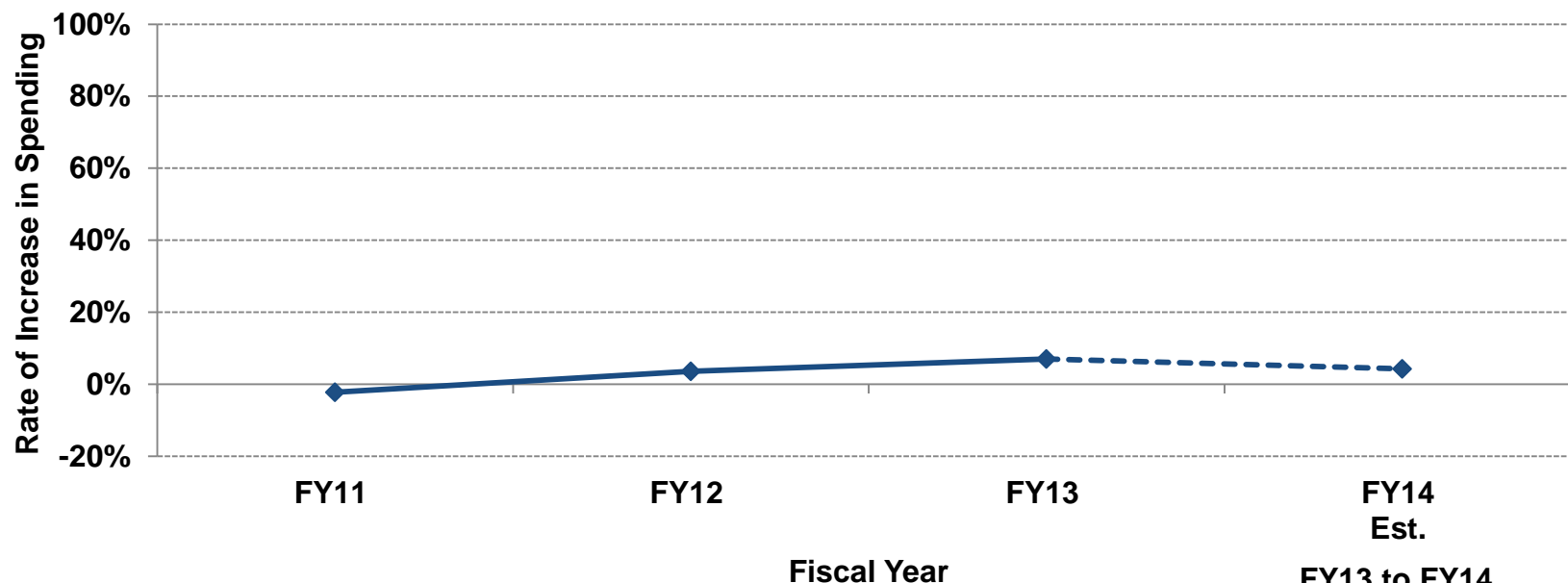


Debt service as a percentage of the general fund has remained constant over the past four fiscal years. In FY13, the county spent \$291.8 million on debt service. The FY13 debt service spending was 8% higher than the previous year's spending.

Note: The FY14 data represent an estimate and is subject to chance as final results are calculated in the near future.



Indicator 6: Rate of Increase in Tax Supported Spending



	FY11	FY12	FY13	FY14 Est.
Results	-2.22%	3.60%	7.01%	4.28%

**FY13 to FY14
Indicator Change**



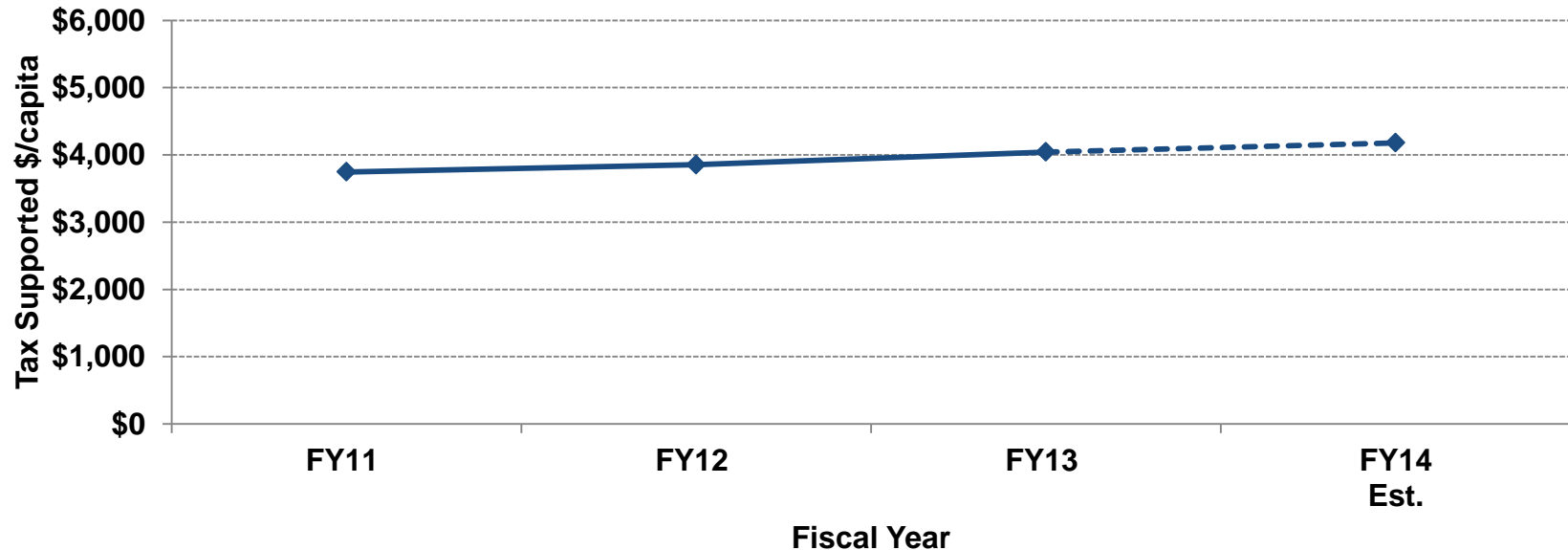
Tax supported spending in the County increased by 4.28% from FY13 to FY14. The rate of increase was 2.73 percentage points lower than in FY13. Inflation over the same time period was 2.3%*.

Note: The FY14 data represent an estimate and is subject to chance as final results are calculated in the near future.

*Source: [OMB budget book](#) schedule F-1

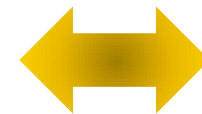


Indicator 7: Per Capita Tax Supported Budget Levels*



	FY11	FY12	FY13	FY14 Est.
Results	\$3,748	\$3,854	\$4,042	\$4,178

**FY13 to FY14
Indicator Change**



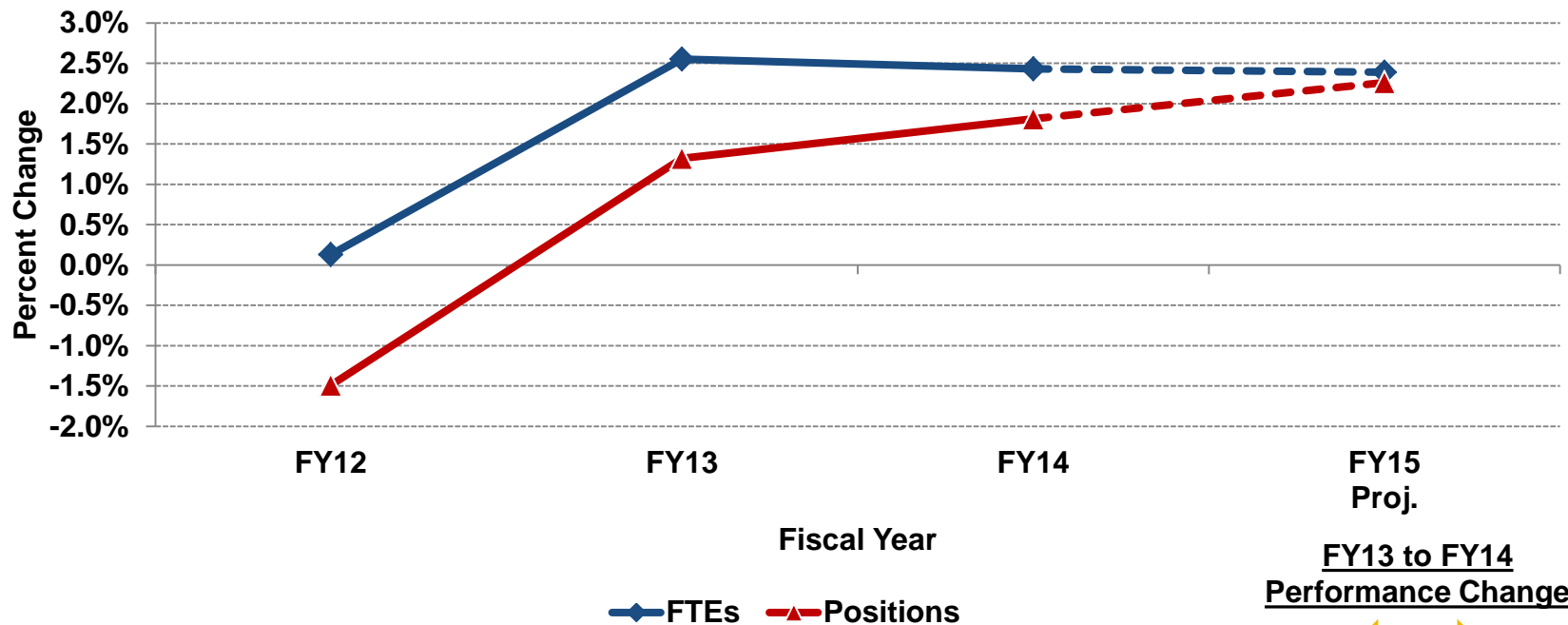
The tax supported budget per capita increased by 3.4% from FY13 to FY14. During the same period, the population grew by 0.9% and inflation was at 2.3%

Note: The FY14 data represent an estimate and is subject to chance as final results are calculated in the near future.

*Source: [OMB budget book](#) schedule F-3



Indicator 8: Year-over-year Growth in Full-time Equivalents and Positions County-wide



	FY12	FY13	FY14	FY15	FY16
FTEs - Results	0.13%	2.55%	2.43%		
FTEs - Projections				2.39%	--
Positions - Results	-1.49%	1.32%	1.81%		
Positions - Projections				2.26%	--

Coming out of the Great Recession, new positions and FTEs have grown at less than 3% in FYs 12,13, and 14.

